

By: Representative Stevens

To: Ways and Means

HOUSE BILL NO. 5

1 AN ACT TO AMEND SECTION 57-75-5, MISSISSIPPI CODE OF 1972, TO
2 REVISE THE DEFINITION OF THE TERM "PROJECT" UNDER THE MISSISSIPPI
3 MAJOR ECONOMIC IMPACT ACT; TO AMEND SECTION 57-75-15, MISSISSIPPI
4 CODE OF 1972, TO AUTHORIZE THE ISSUANCE OF ADDITIONAL STATE
5 GENERAL OBLIGATION BONDS FOR CERTAIN PROJECTS UNDER THE
6 MISSISSIPPI MAJOR ECONOMIC IMPACT ACT; AND FOR RELATED PURPOSES.

7 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MISSISSIPPI:

8 **SECTION 1.** Section 57-75-5, Mississippi Code of 1972, is
9 amended as follows:

10 57-75-5. Words and phrases used in this chapter shall have
11 meanings as follows, unless the context clearly indicates a
12 different meaning:

13 (a) "Act" means the Mississippi Major Economic Impact
14 Act as originally enacted or as hereafter amended.

15 (b) "Authority" means the Mississippi Major Economic
16 Impact Authority created pursuant to the act.

17 (c) "Bonds" means general obligation bonds, interim
18 notes and other evidences of debt of the State of Mississippi
19 issued pursuant to this chapter.

20 (d) "Facility related to the project" means and
21 includes any of the following, as the same may pertain to the
22 project within the project area: (i) facilities to provide
23 potable and industrial water supply systems, sewage and waste
24 disposal systems and water, natural gas and electric transmission
25 systems to the site of the project; (ii) airports, airfields and
26 air terminals; (iii) rail lines; (iv) port facilities; (v)
27 highways, streets and other roadways; (vi) public school
28 buildings, classrooms and instructional facilities, training
29 facilities and equipment, including any functionally related

30 facilities; (vii) parks, outdoor recreation facilities and
31 athletic facilities; (viii) auditoriums, pavilions, campgrounds,
32 art centers, cultural centers, folklore centers and other public
33 facilities; (ix) health care facilities, public or private; and
34 (x) fire protection facilities, equipment and elevated water
35 tanks.

36 (e) "Person" means any natural person, corporation,
37 association, partnership, receiver, trustee, guardian, executor,
38 administrator, fiduciary, governmental unit, public agency,
39 political subdivision, or any other group acting as a unit, and
40 the plural as well as the singular.

41 (f) "Project" means:

42 (i) Any industrial, commercial, research and
43 development, warehousing, distribution, transportation,
44 processing, mining, United States government or tourism enterprise
45 together with all real property required for construction,
46 maintenance and operation of the enterprise with an initial
47 capital investment of not less than Three Hundred Million Dollars
48 (\$300,000,000.00) from private or United States government sources
49 together with all buildings, and other supporting land and
50 facilities, structures or improvements of whatever kind required
51 or useful for construction, maintenance and operation of the
52 enterprise; or with an initial capital investment of not less than
53 One Hundred Fifty Million Dollars (\$150,000,000.00) from private
54 or United States government sources together with all buildings
55 and other supporting land and facilities, structures or
56 improvements of whatever kind required or useful for construction,
57 maintenance and operation of the enterprise and which creates at
58 least one thousand (1,000) net new full-time jobs; or which
59 creates at least one thousand (1,000) net new full-time jobs which
60 provides an average salary, excluding benefits which are not
61 subject to Mississippi income taxation, of at least one hundred
62 twenty-five percent (125%) of the most recently published average

63 annual wage of the state as determined by the Mississippi
64 Department of Employment Security. "Project" shall include any
65 addition to or expansion of an existing enterprise if such
66 addition or expansion has an initial capital investment of not
67 less than Three Hundred Million Dollars (\$300,000,000.00) from
68 private or United States government sources, or has an initial
69 capital investment of not less than One Hundred Fifty Million
70 Dollars (\$150,000,000.00) from private or United States government
71 sources together with all buildings and other supporting land and
72 facilities, structures or improvements of whatever kind required
73 or useful for construction, maintenance and operation of the
74 enterprise and which creates at least one thousand (1,000) net new
75 full-time jobs; or which creates at least one thousand (1,000) net
76 new full-time jobs which provides an average salary, excluding
77 benefits which are not subject to Mississippi income taxation, of
78 at least one hundred twenty-five percent (125%) of the most
79 recently published average annual wage of the state as determined
80 by the Mississippi Department of Employment Security. "Project"
81 shall also include any ancillary development or business resulting
82 from the enterprise, of which the authority is notified, within
83 three (3) years from the date that the enterprise entered into
84 commercial production, that the project area has been selected as
85 the site for the ancillary development or business.

86 (ii) Any major capital project designed to
87 improve, expand or otherwise enhance any active duty or reserve
88 United States Air Force or Navy training bases or naval stations,
89 their support areas or their military operations, upon designation
90 by the authority that any such base was or is at risk to be
91 recommended for closure or realignment pursuant to the Defense
92 Base Closure and Realignment Act of 1990; or any major development
93 project determined by the authority to be necessary to acquire
94 base properties and to provide employment opportunities through
95 construction of projects as defined in Section 57-3-5, which shall

96 be located on or provide direct support service or access to such
97 military installation property as such property exists on July 1,
98 1993, in the event of closure or reduction of military operations
99 at the installation. From and after July 1, 1997, projects
100 described in this subparagraph (ii) shall not be considered to be
101 within the meaning of the term "project" for purposes of this
102 section, unless such projects are commenced before July 1, 1997,
103 and shall not be eligible for any funding provided under the
104 Mississippi Major Economic Impact Act.

105 (iii) Any enterprise to be maintained, improved or
106 constructed in Tishomingo County by or for a National Aeronautics
107 and Space Administration facility in such county.

108 (iv) 1. Any major capital project with an initial
109 capital investment from private sources of not less than Seven
110 Hundred Fifty Million Dollars (\$750,000,000.00) which will create
111 at least three thousand (3,000) jobs meeting criteria established
112 by the Mississippi Development Authority.

113 2. "Project" shall also include any ancillary
114 development or business resulting from an enterprise operating a
115 project as defined in item 1 of this paragraph (f)(iv), of which
116 the authority is notified, within three (3) years from the date
117 that the enterprise entered into commercial production, that the
118 state has been selected as the site for the ancillary development
119 or business.

120 (v) Any manufacturing, processing or industrial
121 project determined by the authority, in its sole discretion, to
122 contribute uniquely and significantly to the economic growth and
123 development of the state, and which meets the following criteria:

124 1. The project shall create at least two
125 thousand (2,000) net new full-time jobs meeting criteria
126 established by the authority, which criteria shall include, but
127 not be limited to, the requirement that such jobs must be held by

128 persons eligible for employment in the United States under
129 applicable state and federal law.

130 2. The project and any facility related to
131 the project shall include a total investment from private sources
132 of not less than Sixty Million Dollars (\$60,000,000.00), or from
133 any combination of sources of not less than Eighty Million Dollars
134 (\$80,000,000.00).

135 (vi) Any real property owned or controlled by the
136 National Aeronautics and Space Administration, the United States
137 government, or any agency thereof, which is legally conveyed to
138 the State of Mississippi or to the State of Mississippi for the
139 benefit of the Mississippi Major Economic Impact Authority, its
140 successors and assigns pursuant to Section 212 of Public Law
141 104-99, enacted January 26, 1996 (110 Stat. 26 at 38).

142 (vii) Any major capital project related to the
143 establishment, improvement, expansion and/or other enhancement of
144 any active duty military installation and having a minimum capital
145 investment from any source or combination of sources other than
146 the State of Mississippi of at least Forty Million Dollars
147 (\$40,000,000.00), and which will create at least four hundred
148 (400) military installation related full-time jobs, which jobs may
149 be military jobs, civilian jobs or a combination of military and
150 civilian jobs. The authority shall require that binding
151 commitments be entered into requiring that the minimum
152 requirements for the project provided for in this subparagraph
153 shall be met not later than July 1, 2008.

154 (viii) Any major capital project with an initial
155 capital investment from any source or combination of sources of
156 not less than Ten Million Dollars (\$10,000,000.00) which will
157 create at least eighty (80) full-time jobs which provide an
158 average annual salary, excluding benefits which are not subject to
159 Mississippi income taxes, of at least one hundred thirty-five
160 percent (135%) of the most recently published average annual wage

161 of the state or the most recently published average annual wage of
162 the county in which the project is located as determined by the
163 Mississippi Department of Employment Security, whichever is the
164 lesser. The authority shall require that binding commitments be
165 entered into requiring that:

166 1. The minimum requirements for the project
167 provided for in this subparagraph shall be met, and

168 2. That if such commitments are not met, all
169 or a portion of the funds provided by the state for the project as
170 determined by the authority shall be repaid.

171 (ix) Any regional retail shopping mall with an
172 initial capital investment from private sources in excess of One
173 Hundred Fifty Million Dollars (\$150,000,000.00), with a square
174 footage in excess of eight hundred thousand (800,000) square feet,
175 which will create at least seven hundred (700) full-time jobs with
176 an average hourly wage of Eleven Dollars (\$11.00) per hour. The
177 authority shall require that binding commitments be entered into
178 requiring that:

179 1. The minimum requirements for the project
180 provided for in this subparagraph shall be met, and

181 2. That if such commitments are not met, all
182 or a portion of the funds provided by the state for the project as
183 determined by the authority shall be repaid.

184 (x) Any major capital project with an initial
185 capital investment from any source or combination of sources of
186 not less than Seventy-five Million Dollars (\$75,000,000.00) which
187 will create at least one hundred twenty-five (125) full-time jobs
188 which provide an average annual salary, excluding benefits which
189 are not subject to Mississippi income taxes, of at least one
190 hundred thirty-five percent (135%) of the most recently published
191 average annual wage of the state or the most recently published
192 average annual wage of the county in which the project is located
193 as determined by the Mississippi Department of Employment

194 Security, whichever is the greater. The authority shall require
195 that binding commitments be entered into requiring that:

196 1. The minimum requirements for the project
197 provided for in this subparagraph shall be met; and

198 2. That if such commitments are not met, all
199 or a portion of the funds provided by the state for the project as
200 determined by the authority shall be repaid.

201 (xi) Any potential major capital project that the
202 authority has determined is feasible to recruit.

203 (xii) Any project built according to the
204 specifications and federal provisions set forth by the National
205 Aeronautics and Space Administration Center Operations Directorate
206 at Stennis Space Center for the purpose of consolidating common
207 services from National Aeronautics and Space Administration
208 centers in human resources, procurement, financial management and
209 information technology located on land owned or controlled by the
210 National Aeronautics and Space Administration, which will create
211 at least four hundred seventy (470) full-time jobs with an average
212 annual salary of at least Sixty Thousand Dollars (\$60,000.00).

213 (xiii) Any major capital project with a capital
214 investment from any source or combination of sources of not less
215 than Ten Million Dollars (\$10,000,000.00) which will create at
216 least two hundred (200) full-time employees. The authority shall
217 require that binding commitments be entered into requiring that:

218 1. The minimum requirements for the project
219 provided for in this subparagraph shall be met; and

220 2. That if such commitments are not met, all
221 or a portion of the funds provided by the state for the project as
222 determined by the authority shall be repaid.

223 (g) "Project area" means the project site, together
224 with any area or territory within the state lying within
225 sixty-five (65) miles of any portion of the project site whether
226 or not such area or territory be contiguous; however, for the

227 project defined in paragraph (f)(iv) of this section the term
228 "project area" means any area or territory within the state. The
229 project area shall also include all territory within a county if
230 any portion of such county lies within sixty-five (65) miles of
231 any portion of the project site. "Project site" means the real
232 property on which the principal facilities of the enterprise will
233 operate.

234 (h) "Public agency" means:

235 (i) Any department, board, commission, institution
236 or other agency or instrumentality of the state;

237 (ii) Any city, town, county, political
238 subdivision, school district or other district created or existing
239 under the laws of the state or any public agency of any such city,
240 town, county, political subdivision or district or any other
241 public entity created or existing under local and private
242 legislation;

243 (iii) Any department, commission, agency or
244 instrumentality of the United States of America; and

245 (iv) Any other state of the United States of
246 America which may be cooperating with respect to location of the
247 project within the state, or any agency thereof.

248 (i) "State" means State of Mississippi.

249 (j) "Fee-in-lieu" means a negotiated fee to be paid by
250 the project in lieu of any franchise taxes imposed on the project
251 by Chapter 13, Title 27, Mississippi Code of 1972. The
252 fee-in-lieu shall not be less than Twenty-five Thousand Dollars
253 (\$25,000.00) annually. A fee-in-lieu may be negotiated with an
254 enterprise operating an existing project defined in Section
255 57-75-5(f)(iv)1; however, a fee-in-lieu shall not be negotiated
256 for other existing enterprises that fall within the definition of
257 the term "project."

258 **SECTION 2.** Section 57-75-15, Mississippi Code of 1972, is
259 amended as follows:

260 57-75-15. (1) Upon notification to the authority by the
261 enterprise that the state has been finally selected as the site
262 for the project, the State Bond Commission shall have the power
263 and is hereby authorized and directed, upon receipt of a
264 declaration from the authority as hereinafter provided, to borrow
265 money and issue general obligation bonds of the state in one or
266 more series for the purposes herein set out. Upon such
267 notification, the authority may thereafter from time to time
268 declare the necessity for the issuance of general obligation bonds
269 as authorized by this section and forward such declaration to the
270 State Bond Commission, provided that before such notification, the
271 authority may enter into agreements with the United States
272 government, private companies and others that will commit the
273 authority to direct the State Bond Commission to issue bonds for
274 eligible undertakings set out in subsection (4) of this section,
275 conditioned on the siting of the project in the state.

276 (2) Upon receipt of any such declaration from the authority,
277 the State Bond Commission shall verify that the state has been
278 selected as the site of the project and shall act as the issuing
279 agent for the series of bonds directed to be issued in such
280 declaration pursuant to authority granted in this section.

281 (3) (a) Bonds issued under the authority of this section
282 for projects as defined in Section 57-75-5(f)(i) shall not exceed
283 an aggregate principal amount in the sum of Sixty-seven Million
284 Three Hundred Fifty Thousand Dollars (\$67,350,000.00).

285 (b) Bonds issued under the authority of this section
286 for projects as defined in Section 57-75-5(f)(ii) shall not exceed
287 Fifty Million Dollars (\$50,000,000.00), nor shall the bonds issued
288 for projects related to any single military installation exceed
289 Sixteen Million Six Hundred Sixty-seven Thousand Dollars
290 (\$16,667,000.00). If any proceeds of bonds issued for projects
291 related to the Meridian Naval Auxiliary Air Station ("NAAS") are
292 used for the development of a water and sewer service system by

293 the City of Meridian, Mississippi, to serve the NAAS and if the
294 City of Meridian annexes any of the territory served by the water
295 and sewer service system, the city shall repay the State of
296 Mississippi the amount of all bond proceeds expended on any
297 portion of the water and sewer service system project; and if
298 there are any monetary proceeds derived from the disposition of
299 any improvements located on real property in Kemper County
300 purchased pursuant to this act for projects related to the NAAS
301 and if there are any monetary proceeds derived from the
302 disposition of any timber located on real property in Kemper
303 County purchased pursuant to this act for projects related to the
304 NAAS, all of such proceeds (both from the disposition of
305 improvements and the disposition of timber) commencing July 1,
306 1996, through June 30, 2010, shall be paid to the Board of
307 Education of Kemper County, Mississippi, for expenditure by such
308 board of education to benefit the public schools of Kemper County.
309 No bonds shall be issued under this paragraph (b) until the State
310 Bond Commission by resolution adopts a finding that the issuance
311 of such bonds will improve, expand or otherwise enhance the
312 military installation, its support areas or military operations,
313 or will provide employment opportunities to replace those lost by
314 closure or reductions in operations at the military installation.
315 From and after July 1, 1997, bonds shall not be issued for any
316 projects, as defined in Section 57-75-5(f)(ii), which are not
317 commenced before July 1, 1997. The proceeds of any bonds issued
318 for projects commenced before July 1, 1997, shall be used for the
319 purposes for which the bonds were issued until completion of the
320 projects.

321 (c) Bonds issued under the authority of this section
322 for projects as defined in Section 57-75-5(f)(iii) shall not
323 exceed Ten Million Dollars (\$10,000,000.00). No bonds shall be
324 issued under this paragraph after December 31, 1996.

325 (d) Bonds issued under the authority of this section
326 for projects defined in Section 57-75-5(f)(iv) shall not exceed
327 Three Hundred Fifty-one Million Dollars (\$351,000,000.00). An
328 additional amount of bonds in an amount not to exceed Twelve
329 Million Five Hundred Thousand Dollars (\$12,500,000.00) may be
330 issued under the authority of this section for the purpose of
331 defraying costs associated with the construction of surface water
332 transmission lines for a project defined in Section 57-75-5(f)(iv)
333 or for any facility related to the project. No bonds shall be
334 issued under this paragraph after June 30, 2005.

335 (e) Bonds issued under the authority of this section
336 for projects defined in Section 57-75-5(f)(v) and for facilities
337 related to such projects shall not exceed Thirty-eight Million
338 Five Hundred Thousand Dollars (\$38,500,000.00). No bonds shall be
339 issued under this paragraph after December 31, 2005.

340 (f) Bonds issued under the authority of this section
341 for projects defined in Section 57-75-5(f)(vii) shall not exceed
342 Five Million Dollars (\$5,000,000.00). No bonds shall be issued
343 under this paragraph after June 30, 2006.

344 (g) Bonds issued under the authority of this section
345 for projects defined in Section 57-75-5(f)(viii) shall not exceed
346 Four Million Five Hundred Thousand Dollars (\$4,500,000.00). No
347 bonds shall be issued under this paragraph after June 30, 2007.

348 (h) Bonds issued under the authority of this section
349 for projects defined in Section 57-75-5(f)(ix) shall not exceed
350 Five Million Dollars (\$5,000,000.00). No bonds shall be issued
351 under this paragraph after June 30, 2007.

352 (i) Bonds issued under the authority of this section
353 for projects defined in Section 57-75-5(f)(x) shall not exceed
354 Five Million Dollars (\$5,000,000.00). No bonds shall be issued
355 under this paragraph after June 30, 2007.

356 (j) Bonds issued under the authority of this section
357 for projects defined in Section 57-75-5(f)(xii) shall not exceed

358 Nineteen Million Five Hundred Thousand Dollars (\$19,500,000.00).
359 No bond shall be issued under this paragraph until local
360 governments in or near the county in which the project is located
361 have irrevocably committed funds to the project in an amount of
362 not less than Two Million Five Hundred Thousand Dollars
363 (\$2,500,000.00) in the aggregate. No bonds shall be issued under
364 this paragraph after June 30, 2008.

365 (k) Bonds issued under the authority of this section
366 for projects defined in Section 57-75-5(f)(xiii) shall not exceed
367 Three Million Dollars (\$3,000,000.00). No bonds shall be issued
368 under this paragraph after June 30, 2009.

369 (4) (a) The proceeds from the sale of the bonds issued
370 under this section may be applied for the following purposes:

371 (i) Defraying all or any designated portion of the
372 costs incurred with respect to acquisition, planning, design,
373 construction, installation, rehabilitation, improvement,
374 relocation and with respect to state-owned property, operation and
375 maintenance of the project and any facility related to the project
376 located within the project area, including costs of design and
377 engineering, all costs incurred to provide land, easements and
378 rights-of-way, relocation costs with respect to the project and
379 with respect to any facility related to the project located within
380 the project area, and costs associated with mitigation of
381 environmental impacts and environmental impact studies;

382 (ii) Defraying the cost of providing for the
383 recruitment, screening, selection, training or retraining of
384 employees, candidates for employment or replacement employees of
385 the project and any related activity;

386 (iii) Reimbursing the Mississippi Development
387 Authority for expenses it incurred in regard to projects defined
388 in Section 57-75-5(f)(iv) prior to November 6, 2000. The
389 Mississippi Development Authority shall submit an itemized list of
390 expenses it incurred in regard to such projects to the Chairmen of

391 the Finance and Appropriations Committees of the Senate and the
392 Chairmen of the Ways and Means and Appropriations Committees of
393 the House of Representatives;

394 (iv) Providing grants to enterprises operating
395 projects defined in Section 57-75-5(f)(iv)1;

396 (v) Paying any warranty made by the authority
397 regarding site work for a project defined in Section
398 57-75-5(f)(iv)1;

399 (vi) Defraying the cost of marketing and promotion
400 of a project as defined in Section 57-75-5(f)(iv)1. The authority
401 shall submit an itemized list of costs incurred for marketing and
402 promotion of such project to the Chairmen of the Finance and
403 Appropriations Committees of the Senate and the Chairmen of the
404 Ways and Means and Appropriations Committees of the House of
405 Representatives;

406 (vii) Providing for the payment of interest on the
407 bonds;

408 (viii) Providing debt service reserves;

409 (ix) Paying underwriters' discount, original issue
410 discount, accountants' fees, engineers' fees, attorneys' fees,
411 rating agency fees and other fees and expenses in connection with
412 the issuance of the bonds;

413 (x) For purposes authorized in paragraphs (b),
414 (c), (d), (e) and (f) of this subsection (4); * * *

415 (xi) Providing grants to enterprises operating
416 projects defined in Section 57-75-5(f)(v), or, in connection with
417 a facility related to such a project, for any purposes deemed by
418 the authority in its sole discretion to be necessary and
419 appropriate;

420 (xii) Providing grant funds or loans to an
421 enterprise owning, leasing or operating a project defined in
422 Section 57-75-5(f)(xiii).

423 Such bonds shall be issued from time to time and in such
424 principal amounts as shall be designated by the authority, not to
425 exceed in aggregate principal amounts the amount authorized in
426 subsection (3) of this section. Proceeds from the sale of the
427 bonds issued under this section may be invested, subject to
428 federal limitations, pending their use, in such securities as may
429 be specified in the resolution authorizing the issuance of the
430 bonds or the trust indenture securing them, and the earning on
431 such investment applied as provided in such resolution or trust
432 indenture.

433 (b) (i) The proceeds of bonds issued after June 21,
434 2002, under this section for projects described in Section
435 57-75-5(f)(iv) may be used to reimburse reasonable actual and
436 necessary costs incurred by the Mississippi Development Authority
437 in providing assistance related to a project for which funding is
438 provided from the use of proceeds of such bonds. The Mississippi
439 Development Authority shall maintain an accounting of actual costs
440 incurred for each project for which reimbursements are sought.
441 Reimbursements under this paragraph (b)(i) shall not exceed Three
442 Hundred Thousand Dollars (\$300,000.00) in the aggregate.
443 Reimbursements under this paragraph (b)(i) shall satisfy any
444 applicable federal tax law requirements.

445 (ii) The proceeds of bonds issued after June 21,
446 2002, under this section for projects described in Section
447 57-75-5(f)(iv) may be used to reimburse reasonable actual and
448 necessary costs incurred by the Department of Audit in providing
449 services related to a project for which funding is provided from
450 the use of proceeds of such bonds. The Department of Audit shall
451 maintain an accounting of actual costs incurred for each project
452 for which reimbursements are sought. The Department of Audit may
453 escalate its budget and expend such funds in accordance with rules
454 and regulations of the Department of Finance and Administration in
455 a manner consistent with the escalation of federal funds.

456 Reimbursements under this paragraph (b)(ii) shall not exceed One
457 Hundred Thousand Dollars (\$100,000.00) in the aggregate.

458 Reimbursements under this paragraph (b)(ii) shall satisfy any
459 applicable federal tax law requirements.

460 (c) (i) The proceeds of bonds issued under this
461 section for projects described in Section 57-75-5(f)(ix) may be
462 used to reimburse reasonable actual and necessary costs incurred
463 by the Mississippi Development Authority in providing assistance
464 related to a project for which funding is provided for the use of
465 proceeds of such bonds. The Mississippi Development Authority
466 shall maintain an accounting of actual costs incurred for each
467 project for which reimbursements are sought. Reimbursements under
468 this paragraph shall not exceed Twenty-five Thousand Dollars
469 (\$25,000.00) in the aggregate.

470 (ii) The proceeds of bonds issued under this
471 section for projects described in Section 57-75-5(f)(ix) may be
472 used to reimburse reasonable actual and necessary costs incurred
473 by the Department of Audit in providing services related to a
474 project for which funding is provided from the use of proceeds of
475 such bonds. The Department of Audit shall maintain an accounting
476 of actual costs incurred for each project for which reimbursements
477 are sought. The Department of Audit may escalate its budget and
478 expend such funds in accordance with rules and regulations of the
479 Department of Finance and Administration in a manner consistent
480 with the escalation of federal funds. Reimbursements under this
481 paragraph shall not exceed Twenty-five Thousand Dollars
482 (\$25,000.00) in the aggregate. Reimbursements under this
483 paragraph shall satisfy any applicable federal tax law
484 requirements.

485 (d) (i) The proceeds of bonds issued under this
486 section for projects described in Section 57-75-5(f)(x) may be
487 used to reimburse reasonable actual and necessary costs incurred
488 by the Mississippi Development Authority in providing assistance

489 related to a project for which funding is provided for the use of
490 proceeds of such bonds. The Mississippi Development Authority
491 shall maintain an accounting of actual costs incurred for each
492 project for which reimbursements are sought. Reimbursements under
493 this paragraph shall not exceed Twenty-five Thousand Dollars
494 (\$25,000.00) in the aggregate.

495 (ii) The proceeds of bonds issued under this
496 section for projects described in Section 57-75-5(f)(x) may be
497 used to reimburse reasonable actual and necessary costs incurred
498 by the Department of Audit in providing services related to a
499 project for which funding is provided from the use of proceeds of
500 such bonds. The Department of Audit shall maintain an accounting
501 of actual costs incurred for each project for which reimbursements
502 are sought. The Department of Audit may escalate its budget and
503 expend such funds in accordance with rules and regulations of the
504 Department of Finance and Administration in a manner consistent
505 with the escalation of federal funds. Reimbursements under this
506 paragraph shall not exceed Twenty-five Thousand Dollars
507 (\$25,000.00) in the aggregate. Reimbursements under this
508 paragraph shall satisfy any applicable federal tax law
509 requirements.

510 (e) (i) The proceeds of bonds issued under this
511 section for projects described in Section 57-75-5(f)(xii) may be
512 used to reimburse reasonable actual and necessary costs incurred
513 by the Mississippi Development Authority in providing assistance
514 related to a project for which funding is provided from the use of
515 proceeds of such bonds. The Mississippi Development Authority
516 shall maintain an accounting of actual costs incurred for each
517 project for which reimbursements are sought. Reimbursements under
518 this paragraph (e)(i) shall not exceed Twenty-five Thousand
519 Dollars (\$25,000.00) in the aggregate.

520 (ii) The proceeds of bonds issued under this
521 section for projects described in Section 57-75-5(f)(xii) may be

522 used to reimburse reasonable actual and necessary costs incurred
523 by the Department of Audit in providing services related to a
524 project for which funding is provided from the use of proceeds of
525 such bonds. The Department of Audit shall maintain an accounting
526 of actual costs incurred for each project for which reimbursements
527 are sought. The Department of Audit may escalate its budget and
528 expend such funds in accordance with rules and regulations of the
529 Department of Finance and Administration in a manner consistent
530 with the escalation of federal funds. Reimbursements under this
531 paragraph (e)(ii) shall not exceed Twenty-five Thousand Dollars
532 (\$25,000.00) in the aggregate. Reimbursements under this
533 paragraph (e)(ii) shall satisfy any applicable federal tax law
534 requirements.

535 (f) (i) The proceeds of bonds issued under this
536 section for projects described in Section 57-75-5(f)(xiii) may be
537 used to reimburse reasonable actual and necessary costs incurred
538 by the Mississippi Development Authority in providing assistance
539 related to a project for which funding is provided from the use of
540 proceeds of such bonds. The Mississippi Development Authority
541 shall maintain an accounting of actual costs incurred for each
542 project for which reimbursements are sought. Reimbursements under
543 this paragraph (f)(i) shall not exceed Twenty-five Thousand
544 Dollars (\$25,000.00) for each project.

545 (ii) The proceeds of bonds issued under this
546 section for projects described in Section 57-75-5(f)(xiii) may be
547 used to reimburse reasonable actual and necessary costs incurred
548 by the Department of Audit in providing services related to a
549 project for which funding is provided from the use of proceeds of
550 such bonds. The Department of Audit shall maintain an accounting
551 of actual costs incurred for each project for which reimbursements
552 are sought. The Department of Audit may escalate its budget and
553 expend such funds in accordance with rules and regulations of the
554 Department of Finance and Administration in a manner consistent

555 with the escalation of federal funds. Reimbursements under this
556 paragraph (f)(ii) shall not exceed Twenty-five Thousand Dollars
557 (\$25,000.00) for each project. Reimbursements under this
558 paragraph (f)(ii) shall satisfy any applicable federal tax law
559 requirements.

560 (5) The principal of and the interest on the bonds shall be
561 payable in the manner hereinafter set forth. The bonds shall bear
562 date or dates; be in such denomination or denominations; bear
563 interest at such rate or rates; be payable at such place or places
564 within or without the state; mature absolutely at such time or
565 times; be redeemable before maturity at such time or times and
566 upon such terms, with or without premium; bear such registration
567 privileges; and be substantially in such form; all as shall be
568 determined by resolution of the State Bond Commission except that
569 such bonds shall mature or otherwise be retired in annual
570 installments beginning not more than five (5) years from the date
571 thereof and extending not more than twenty-five (25) years from
572 the date thereof. The bonds shall be signed by the Chairman of
573 the State Bond Commission, or by his facsimile signature, and the
574 official seal of the State Bond Commission shall be imprinted on
575 or affixed thereto, attested by the manual or facsimile signature
576 of the Secretary of the State Bond Commission. Whenever any such
577 bonds have been signed by the officials herein designated to sign
578 the bonds, who were in office at the time of such signing but who
579 may have ceased to be such officers before the sale and delivery
580 of such bonds, or who may not have been in office on the date such
581 bonds may bear, the signatures of such officers upon such bonds
582 shall nevertheless be valid and sufficient for all purposes and
583 have the same effect as if the person so officially signing such
584 bonds had remained in office until the delivery of the same to the
585 purchaser, or had been in office on the date such bonds may bear.

586 (6) All bonds issued under the provisions of this section
587 shall be and are hereby declared to have all the qualities and

588 incidents of negotiable instruments under the provisions of the
589 Uniform Commercial Code and in exercising the powers granted by
590 this chapter, the State Bond Commission shall not be required to
591 and need not comply with the provisions of the Uniform Commercial
592 Code.

593 (7) The State Bond Commission shall sell the bonds on sealed
594 bids at public sale, and for such price as it may determine to be
595 for the best interest of the State of Mississippi, but no such
596 sale shall be made at a price less than par plus accrued interest
597 to date of delivery of the bonds to the purchaser. The bonds
598 shall bear interest at such rate or rates not exceeding the limits
599 set forth in Section 75-17-101 as shall be fixed by the State Bond
600 Commission. All interest accruing on such bonds so issued shall
601 be payable semiannually or annually; provided that the first
602 interest payment may be for any period of not more than one (1)
603 year.

604 Notice of the sale of any bonds shall be published at least
605 one time, the first of which shall be made not less than ten (10)
606 days prior to the date of sale, and shall be so published in one
607 or more newspapers having a general circulation in the City of
608 Jackson and in one or more other newspapers or financial journals
609 with a large national circulation, to be selected by the State
610 Bond Commission.

611 The State Bond Commission, when issuing any bonds under the
612 authority of this section, may provide that the bonds, at the
613 option of the state, may be called in for payment and redemption
614 at the call price named therein and accrued interest on such date
615 or dates named therein.

616 (8) State bonds issued under the provisions of this section
617 shall be the general obligations of the state and backed by the
618 full faith and credit of the state. The Legislature shall
619 appropriate annually an amount sufficient to pay the principal of
620 and the interest on such bonds as they become due. All bonds

621 shall contain recitals on their faces substantially covering the
622 foregoing provisions of this section.

623 (9) The State Treasurer is authorized to certify to the
624 Department of Finance and Administration the necessity for
625 warrants, and the Department of Finance and Administration is
626 authorized and directed to issue such warrants payable out of any
627 funds appropriated by the Legislature under this section for such
628 purpose, in such amounts as may be necessary to pay when due the
629 principal of and interest on all bonds issued under the provisions
630 of this section. The State Treasurer shall forward the necessary
631 amount to the designated place or places of payment of such bonds
632 in ample time to discharge such bonds, or the interest thereon, on
633 the due dates thereof.

634 (10) The bonds may be issued without any other proceedings
635 or the happening of any other conditions or things other than
636 those proceedings, conditions and things which are specified or
637 required by this chapter. Any resolution providing for the
638 issuance of general obligation bonds under the provisions of this
639 section shall become effective immediately upon its adoption by
640 the State Bond Commission, and any such resolution may be adopted
641 at any regular or special meeting of the State Bond Commission by
642 a majority of its members.

643 (11) In anticipation of the issuance of bonds hereunder, the
644 State Bond Commission is authorized to negotiate and enter into
645 any purchase, loan, credit or other agreement with any bank, trust
646 company or other lending institution or to issue and sell interim
647 notes for the purpose of making any payments authorized under this
648 section. All borrowings made under this provision shall be
649 evidenced by notes of the state which shall be issued from time to
650 time, for such amounts not exceeding the amount of bonds
651 authorized herein, in such form and in such denomination and
652 subject to such terms and conditions of sale and issuance,
653 prepayment or redemption and maturity, rate or rates of interest

654 not to exceed the maximum rate authorized herein for bonds, and
655 time of payment of interest as the State Bond Commission shall
656 agree to in such agreement. Such notes shall constitute general
657 obligations of the state and shall be backed by the full faith and
658 credit of the state. Such notes may also be issued for the
659 purpose of refunding previously issued notes. No note shall
660 mature more than three (3) years following the date of its
661 issuance. The State Bond Commission is authorized to provide for
662 the compensation of any purchaser of the notes by payment of a
663 fixed fee or commission and for all other costs and expenses of
664 issuance and service, including paying agent costs. Such costs
665 and expenses may be paid from the proceeds of the notes.

666 (12) The bonds and interim notes authorized under the
667 authority of this section may be validated in the First Judicial
668 District of the Chancery Court of Hinds County, Mississippi, in
669 the manner and with the force and effect provided now or hereafter
670 by Chapter 13, Title 31, Mississippi Code of 1972, for the
671 validation of county, municipal, school district and other bonds.
672 The necessary papers for such validation proceedings shall be
673 transmitted to the State Bond Attorney, and the required notice
674 shall be published in a newspaper published in the City of
675 Jackson, Mississippi.

676 (13) Any bonds or interim notes issued under the provisions
677 of this chapter, a transaction relating to the sale or securing of
678 such bonds or interim notes, their transfer and the income
679 therefrom shall at all times be free from taxation by the state or
680 any local unit or political subdivision or other instrumentality
681 of the state, excepting inheritance and gift taxes.

682 (14) All bonds issued under this chapter shall be legal
683 investments for trustees, other fiduciaries, savings banks, trust
684 companies and insurance companies organized under the laws of the
685 State of Mississippi; and such bonds shall be legal securities
686 which may be deposited with and shall be received by all public

687 officers and bodies of the state and all municipalities and other
688 political subdivisions thereof for the purpose of securing the
689 deposit of public funds.

690 (15) The Attorney General of the State of Mississippi shall
691 represent the State Bond Commission in issuing, selling and
692 validating bonds herein provided for, and the Bond Commission is
693 hereby authorized and empowered to expend from the proceeds
694 derived from the sale of the bonds authorized hereunder all
695 necessary administrative, legal and other expenses incidental and
696 related to the issuance of bonds authorized under this chapter.

697 (16) There is hereby created a special fund in the State
698 Treasury to be known as the Mississippi Major Economic Impact
699 Authority Fund wherein shall be deposited the proceeds of the
700 bonds issued under this chapter and all monies received by the
701 authority to carry out the purposes of this chapter. Expenditures
702 authorized herein shall be paid by the State Treasurer upon
703 warrants drawn from the fund, and the Department of Finance and
704 Administration shall issue warrants upon requisitions signed by
705 the director of the authority.

706 (17) (a) There is hereby created the Mississippi Economic
707 Impact Authority Sinking Fund from which the principal of and
708 interest on such bonds shall be paid by appropriation. All monies
709 paid into the sinking fund not appropriated to pay accruing bonds
710 and interest shall be invested by the State Treasurer in such
711 securities as are provided by law for the investment of the
712 sinking funds of the state.

713 (b) In the event that all or any part of the bonds and
714 notes are purchased, they shall be canceled and returned to the
715 loan and transfer agent as canceled and paid bonds and notes and
716 thereafter all payments of interest thereon shall cease and the
717 canceled bonds, notes and coupons, together with any other
718 canceled bonds, notes and coupons, shall be destroyed as promptly
719 as possible after cancellation but not later than two (2) years

720 after cancellation. A certificate evidencing the destruction of
721 the canceled bonds, notes and coupons shall be provided by the
722 loan and transfer agent to the seller.

723 (c) The State Treasurer shall determine and report to
724 the Department of Finance and Administration and Legislative
725 Budget Office by September 1 of each year the amount of money
726 necessary for the payment of the principal of and interest on
727 outstanding obligations for the following fiscal year and the
728 times and amounts of the payments. It shall be the duty of the
729 Governor to include in every executive budget submitted to the
730 Legislature full information relating to the issuance of bonds and
731 notes under the provisions of this chapter and the status of the
732 sinking fund for the payment of the principal of and interest on
733 the bonds and notes.

734 (d) Any monies repaid to the state from loans
735 authorized in Section 57-75-11(hh) shall be deposited into the
736 Mississippi Major Economic Impact Authority Sinking Fund.

737 (18) (a) Upon receipt of a declaration by the authority
738 that it has determined that the state is a potential site for a
739 project, the State Bond Commission is authorized and directed to
740 authorize the State Treasurer to borrow money from any special
741 fund in the State Treasury not otherwise appropriated to be
742 utilized by the authority for the purposes provided for in this
743 subsection.

744 (b) The proceeds of the money borrowed under this
745 subsection may be utilized by the authority for the purpose of
746 defraying all or a portion of the costs incurred by the authority
747 with respect to acquisition options and planning, design and
748 environmental impact studies with respect to a project defined in
749 Section 57-75-5(f)(xi). The authority may escalate its budget and
750 expend the proceeds of the money borrowed under this subsection in
751 accordance with rules and regulations of the Department of Finance

752 and Administration in a manner consistent with the escalation of
753 federal funds.

754 (c) The authority shall request an appropriation or
755 additional authority to issue general obligation bonds to repay
756 the borrowed funds and establish a date for the repayment of the
757 funds so borrowed.

758 (d) Borrowings made under the provisions of this
759 subsection shall not exceed Five Hundred Thousand Dollars
760 (\$500,000.00) at any one time.

761 **SECTION 3.** This act shall take effect and be in force from
762 and after its passage.